



Hawai'i 2022 End of Legislative Session Report

The Hawai'i State Legislature had a busy year, with CAI having tracked 147 bills this Legislative Session. The House saw over 2000 bills introduced, while the Senate saw over 3,000 bills introduced. The Community Associations Institute Hawaii Legislative Action Committee remained engaged with partners in the State Legislature, providing a much-needed perspective on behalf of homeowners, managers, and business partners. The CAI Hawaii LAC efforts resulted in stopping several pieces of bad legislation and negotiating language to make legislation that passed acceptable. The following bills passed that will have a direct impact on community associations in The Aloha State:

HB 2272 Relating to Condominium Associations: This bill clarifies that 67% of unit owners may amend a condominium declaration at any time by vote or written consent, unless the declaration specifies a higher percentage. Under this bill, a developer's public report must include annual reserve contributions based on a reserve study. The bill also mandates that petitions to amend bylaws are valid for 120 days after the earliest signature, and authorizes condominium associations to collect votes through mail, email, or other electronic means, provided they are recorded in association records. Further, the bill provides that a condominium association's reserve study is required to be reviewed by an independent reserve study preparer and reviewed or updated at least every three (3) years. Cash flow plans must be based on thirty-year (30) projections under this legislation.

Status: Signed by Governor Ige on June 17, 2022. Effective January 1, 2023.

SB 2685 Relating to Planned Community Associations: This bill enables community associations to adopt a cumulative voting system, which would allocate votes by multiplying the number of open positions by the number of votes allocated to the resident. Residents may then choose to either allocate all votes for one candidate for a particular position, or allocate among multiple candidates, with the overall top vote-getter being awarded the longest term in office. This bill also establishes new procedures for the removal and replacement of a director, including rules stating that if a particular class, chapter, or organizational unit chose the previous director, then it is responsible for finding a replacement.

Status: Signed by Governor Ige on June 17, 2022. Effective January 1, 2023.

SB 329 Relating to Condominiums: This bill shortens the notice period from 60 days to 30 days for a board to sell, store, donate, or dispose of personal property when the identity and address of the owner are known. The bill also removes the requirement that sales, donations, and disposals be advertised, instead





permitting the board of directors of a condominium association to proceed directly to the sale, storage, donation, or disposal of personal property that has been abandoned in the condominium's common elements when the identity or address of the owner is unknown.

Signed by Governor Ige on June 25, 2022. Effective immediately.

SB 186 Relating to Restrictions on Agricultural Uses and Activities: This bill prohibits the enforcement of an association's covenants restricting agricultural use if the governing documents were either recorded or rerecorded after July 8, 2003, provided the covenants restrict a legitimate agricultural use or activity.

Signed by Governor Ige on June 25, 2022. Effective immediately.

HB 599 Relating to Association Governance: This bill authorizes planned community associations to conduct virtual meetings and remote voting, consistent with the Hawaii Nonprofit Corporations Act. The bill specifically provides that a state of emergency may be used as justification to hold meetings and votes remotely, provided there is no explicit prohibition in an association's governing documents.

Signed by Governor Ige on June 24, 2022. Effective immediately.

Your Assistance is Needed

To help fund CAI advocacy activities in 2022 and beyond, donations are vital to our continued success. We encourage donations from Hawai'i community associations and individuals. Please visit www.caionline.org/lacdonate/ and donate to CAI's Hawaii Legislative Action Committee to support our continued efforts.

Hawai'i Contact Information

- Visit https://www.caionline.org/Advocacy/LAC/HI/Pages/default.aspx
- Contact CAI's Government and Public Affairs Team at government@caionline.org
- To find the chapter nearest you, please call (888) 224-4321.